(c) Yes, Sir.

(d) The Tourism industry is facing a shortage of hotel rooms, especially in the main tourist destinations as well as the metro cities like Delhi, Mumbai, and Bangalore. The shortage is very acute during the peak tourist season from October to March every year. The tremendous increase in foreign and domestic tourists is the principal reasons for the shortage. The Ministry of Tourism has written to all State Governments and Land Owning Agencies like Railways, Ministry of Civil Aviation etc. to identify land banks for hotels and offer these hotel sites on joint revenue sharing basis etc. and to increase FAR/FSI of existing hotels.

(e) and (f) Construction of hotels is primarily a private sector activity and the Ministry of Tourism extends all facilitation by way of granting approval at the project and planning stage, allowing foreign direct investment upto 100% and also allowing foreign technical collaboration. Ministry of Tourism also has a scheme "Incentive to Accommodation Infrastructure" under which subsidy of 10% of the principal loan is given to the hotel of budget and low-budget categories, subject to a maximum assistance of Rs. 25 lakh for one star hotels; Rs. 50 lakh for 2 star hotels and Rs. 75 lakh for 3 star hotels.

Tax holiday scheme for investment in budget hotels

237. SHRI VIJAY J. DARDA: Will the Minister of TOURISM be pleased to state:

(a) whether Government are thinking of announcing a tax holiday scheme for investments in budget hotels, Cruise holidays and promotion of rural destinations, etc;

(b) if so, whether the existing places of historical importance in Maharashtra, Vidharba regions are getting due place in Government publicity/campaigns in India and abroad to attract maximum number of budget tourists to such places and new places being thoughts of; and

(c) whether adequate infrastructure like budget hotels, reliable public transport and air connectivity, etc., be ensured, along with security precautions?

THE MINISTER OF TOURISM (SHRIMATI AMBIKA SONI): (a) Ministry of Tourism has requested the Ministry of Finance to extend Tax Holiday for investment in budget hotels all over the country.

(b) Ministry of Tourism through its Incredible India Campaign promotes the entire country including Maharashtra. Information on Maharashtra (including Vidharba) has been posted on the official website of the Ministry of Tourism for world wide promotion.

(c) Yes, Sir. Ministry of Tourism has been in regular touch with all the State Governments and Ministries of the Government of India to provide adequate infrastructure like budget hotels and air connectivity etc. However, law and order is a subject which falls under the purview of the concerned State/Union Territory and in order to ensure the safety and security of tourists, the Ministry of Tourism has advised the State Governments/Union Territories to deploy Tourist Police at important tourist Centres.

Development of village tourist centres in Orissa

238. MS. PRAMILA BOHIDAR:
SHRI B.J. PANDA:

Will the Minister of TOURISM be pleased to state:

(a) whether it is a fact that Padmanavpur village, in Orissa which is famous for making masks used in folk dances, has been selected by the Central Government under Rural Tourism Development Scheme;

(b) if so, the details thereof;

(c) which are the other villages in Orissa which have been selected under the above project; and

(d) what are the details of funds that have so far been provided to the State Government under the above project for the development of village tourist centres to improve the economic position of the rural masses?

THE MINISTER OF TOURISM (SHRIMATI AMBIKA SONI): (a) and (b) Yes, Sir. Rs. 50.00 lakh has been sanctioned for tourism related infrastructure development for Padmanavpur Village during 2006-07.

(c) and (d) The following other villages in state of Orissa have also been provided with the funds shown against each for tourism related infrastructure development and capacity building of the community during 10th five year plan.